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SOURCE [redacted]

1. Yung Yao Company, Ningpo

(a) The location of the Yung Yao Company's power plant is correctly shown on the city plan of Ningpo (Yin Hsien) in Janis 76 - Figure VIII-47. Current is 220-V AC.

(b) Franchises for public utilities in China normally were granted by the central government, not by the municipality. They were usually for 20 years with provision for extension on expiry, and usually restricted the ownership of shares to Chinese citizens. In modern times, say since 1927, a company which desired a utility franchise would first register with the Ministry of Industry (equivalent to incorporation) and then obtain the actual franchise from the ministry controlling the activity. In the case of power companies the latter was the Ministry of Commerce until 1946 when control passed to the Ministry of Reconstruction. The franchise of the Yung Yao Company conformed to the usual conditions. The new Communist government has not touched the company's franchise as yet. This is not because the government is concerned with protecting private enterprises, but because it is not yet ready to take the company over. The number of competent technicians available to the government is insufficient for it to move rapidly in these matters.

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(c) The history of the company goes back to 1907 or 1908 when Yü Ya-ching, subsequently well known in Shanghai as a shipping magnate and philanthropist, bought a 250 KW steam electric plant of German manufacture which was being exhibited in an exposition held in Nanking at that time. I am not sure of the makers of this small plant but I think they were the Allgemein Elektrische Gesellschaft /AEG/. Between 1915 and 1930 the installed capacity of the plant was increased to 10000 KW or more. Generators included:

2 AEG 500 KW steam turbines
1 Brown Boveri 3750 KW steam turbine
1 " " 2250/2300 KW steam turbine
2 German 2000 KW steam turbines purchased through Siemssen and Company Shanghai probably of Siemens Electric manufacture.

The generators were purchased complete with switchboards and other accessories.

(d) The transformers and other secondary equipment was of various origins, but came principally from either Westinghouse or General Electric in the US. Much of it was purchased in 1936

(e) Distribution was by underground mains; feeder lines were on overhead poles.

(f) There is a substation at Tan Chi, a suburb, serving domestic consumers there.

(g) The plant was not damaged by the Japanese bombing of Ningpo during the World War II years, although the nearby Hua Ying Hospital received a bomb hit which may have been intended for the plant.

(h) There has been no substantial increase in the generating installation since 1930. In 1936-37 I estimated the value of the company's physical assets at between US$3 and US$5 million.

(j) During the early years of its operation /1908-35/ the Yung Yao Company supplied current during dark hours only and its principal load came from street lighting with domestic demand a secondary factor.

cotton spinning mill in Ningpo about 1936, and a second mill was established in 1938 or 1939. In addition a considerable number of small industrial consumers has grown up. At present I estimate the company's revenue is derived about equally from domestic and industrial consumption. The peak load is now /1953/ about 5000 KW or approximately half of the installed capacity. The municipality is supposed to pay for the cost of street lighting and is billed for it. However it manages to evade actual payment. The company has never paid any cash dividends to the shareholders but has always met its operating and overhead expenses easily.

(k) Tariffs charged must first be agreed with the municipality and then submitted to the Ministry of Reconstruction for approval.
Note: As of Nationalist government days/. I do not recall the actual rates charged but I know that they were among the lowest, if not the lowest, of any privately owned power company outside of Shanghai. 50X1

(l) The company never had any labor troubles. In fact there was no union until the Communists obtained control of Ningpo. I attribute its excellent labor relations to the fact that virtually all of the staff were trained by Chang, the able chief engineer. 50X1

2. Ningpo Telephone Company

(a) The location of the Ningpo Telephone Company is correctly shown on the city plan of Ningpo (Yin Hsien) Janis 76 - Figure VIII-47. The telephone building is one of the most modern in Ningpo. It is a four-story concrete building; the floors are mosaic and are kept spotlessly clean. The switchboards are installed in the top floor, and the remaining floors are used as offices.

(b) The company was organized in 1912 or 1913 at which time it had 200 subscribers. At present it has about two thousand subscribers and there is a large unfilled demand for telephones which cannot be met because of the shortage of subscribers' instruments. 50X1 50X1
from a Chinese firm in Shanghai. I cannot recall the name of the firm. Most of its technical staff are graduates of Chiao Tung /Communications/ University in Shanghai. The firm may have some sort of connection with Western Electric; 50X1
. The instruments were duly delivered but have not been sent to Ningpo and are still lying idle in Shanghai. 50X1

(c) The original equipment consisted of Ericksen magnetic instruments and switchboards also of Swedish manufacture. 50X1
50X1 Shanghai Mutual Telephone Company /predecessor of the Shanghai Telephone Company/
are usually operated by servants - A's servant calls B's servant who calls B to the phone. Hence speed in making connections is of no importance; (ii) the phones are usually installed in dark hallways lacking light for dialling; (iii) it would have been difficult to find competent engineers to maintain an automatic system; (iv) the adoption of an automatic system would have meant discharging a large part of the staff. Therefore 50X1
designed for a maximum of 5000 subscribers, that is, the switchboards can handle 5000. Some of the auxillary equipment was not adequate for that number, and the number of available instruments was far short of it.

(d) All of the company's mains are underground. Overhead wires on poles are limited to 25 pairs of wires. Overhead wiring is bare.

(e) The Ningpo company is recognized as one of the most modern and best operated in the interior of China. In 1946 or 1947 the Nationalist government sent an inspector to examine all privately operated Chinese telephone companies in the country and the Ningpo company was awarded 1st prize as a result of his investigations.

(f) The company always managed to meet operating expenses and overhead but never paid any return on the capital investment.

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3. Ningpo has no sewage system and no waterworks system. In 1946 or 1947 two UNRRA representatives investigated the possibility of establishing a waterworks system based on bringing water in by gravity from an inland source to a pumping plant in Ningpo. Their conclusion was that it was not financially practicable. Inhabitants rely chiefly on the river for their water supplies, as do also the industrial installations. 50X1

4. Ta Yu Li Electric Light Company, Hangchow

(a) The location of the Ta Yu Li Company's main station is as shown in Janis 76 - Figure VIII-44 city plan of Hangchow. Not shown on this plan is another old and smaller generating station near the railroad station. Current is 220-V AC.

(b) The original Hangchow electric light company was established late in the Ching /Manchu/ dynasty /say between 1908 and 1910/ by Wu I-ting (吳趙庭), a Hangchow banker. Immediately following the revolution /1911/ the company ran into serious difficulties with the military, who insisted on using electric light without paying for it. Mr Wu solved the difficulty by engaging General Yü Tan-ping (俞丹屏) to manage the company. He was successful in reaching an understanding with the military and ran the company successfully for many years until his death. This is remarkable because General Yü had neither technical training nor any business experience before taking charge of the company. He was however honest and hard working.

(c) The original installation consisted of 2 x 500 KW steam turbine sets purchased from Siemssen and Company and were of German manufacture. Capacity was subsequently increased but I cannot recall to what extent. 50X1 50X1

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to the Han-Yeh-Ping Iron Works of Hankow for their Tayeh installation. In any case the Hangchow company had considerable equipment in the original plant. This is the old power plant not shown on the city plan. 50X1

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(d) In 1927 or 1928, when the Kuomintang /KMT/ obtained control of the lower Yangtze Valley, the government seized the Hangchow plant without any payment to the owners, apparently on the theory that public utilities should be government owned. 50X1

(e) Not long thereafter the KMT Ministry of Reconstruction decided to build a new plant in Hangchow and placed an order for the equipment with General Electric /GE/. Two years later /say about 1935/ the Ministry sold both the old and new plants to a syndicate of all the leading Chinese banks in Shanghai for a price of Taels 7 million, at that time equivalent to approximately the same amount in US$. The syndicate formed the Ta Yu Li Company

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(f) The present installed capacity (both stations) is approximately 20,000 KW including 2 x 5000 KW GE sets. Both plants are thermal.

(g) Distribution is chiefly by underground cables.

(h) The peak load is about 10,000 KW, and the demand is almost entirely domestic and public street lighting.

5. Shaohsing Electric Plant

(a) Shaohsing has a small plant consisting of 2 x 500 KW diesel generators. 50X1

(b) [redacted] the feasibility of 50X1
supplying Shaohsing by high voltage cable from Hangchow. However the Shaohsing demand hardly seemed to warrant the expense. 50X1

6. At present none of the Ningpo, Hangchow or Shaohsing plants is physically connected with any of the others. This is of little consequence to either Ningpo or Hangchow as the installations in both cities are approximately double the existing peak demand.

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